

## ASSESSING THE CHALLENGES OF LOGISTICS SERVICES IN NIGERIA: AN ANALYSIS GIG LOGISTICS COMPANY IN NIGERIA

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### Summary

Logistics services have been crucial in helping firms satisfy consumer expectations. The corporation continues to confront issues, most notably in the areas of service price and product safety, despite many attempts to fulfil customer expectations. To keep customers from switching to competitors, GIG Logistics' present logistics services must be evaluated. Using Gig Logistics as a case study, this research tries to discover potential to improve the quality of logistics services in Nigeria. So the research team looks at relevant literature on logistics management to help deduce and infer from secondary and primary data sources. To effectively convey the point, statistics and visual representations will be used. 100 questionnaires were given to GIG Logistics employees chosen for their subject matter competence and past work experience in logistics. A semi-structured interview with some of the company's workers and clients helped uncover the problems that GIG Logistics faces in providing high-quality services. GIG Logistics will be more successful if it can lower service costs while giving clients with new ways to obtain high-quality and timely services. As a result, the study suggests reorganizing customer communications to better reflect customer issues and better serve customers.

**Keywords:** logistics, management, improvement.

### Introduction

Given the numerous challenges confronting logistics service providers in Nigeria, there is a need for a study that focuses on how logistics service providers can better serve their customers by ensuring that their services are affordable to customers of all calibers; this should be in addition to the high-quality services they are already providing. GIG Logistics' logistics services include the collection of goods from customers and delivering them to their specified destination. However, the goods must remain unharmed throughout this delivery service, as this is considered critical for the customer's happiness and the business's continued success. Taking this into consideration, the logistical principle is as follows: take a package from the sender– add value– deliver the product to the recipient (Afolabi and Gbadamosi, 2017). Considering the benefits of maintaining these services to the company, GIG Logistics is currently experiencing a decline in sales due to the increase in the price of products due to the increase in the amount of tax allocated to the company, the change in the price of fuel, and the increase in the price of vehicle maintenance. This has compelled some of their small-scale customers with smaller-quantity goods to utilize the services of other public transportation drivers. These transport drivers' charge as little as 1,000 naira to deliver goods. These delivery services, which they have now incorporated into their offerings, are not performed properly, and goods are frequently left at the owner's risk. As a result, it becomes necessary to examine how GIG logistics' services can be adjusted to make it easier for these small-scale customers to hire the company's services.

**Research aim:** The aim of this theses is to propose improvement opportunities of logistics services on the example of GIG Logistics in Nigeria.

The following **objectives** have been set to achieve the aim:

1. To reveal the importance and problems of logistics services in Nigeria.
2. To analyze theoretically the logistics services activities and their improvement possibilities.
3. To investigate the need of logistics service improvement at GIG logistics.
4. To provide suggestions for improvement of logistics service at analyzed company.

### Research object and methods

The outcomes of this study are meant to inform policy and practice. This study's research methodology includes a theoretical assessment of papers, semi-structured interviews, open-ended surveys, and inductive analysis of the acquired data utilizing PESTLE and SWOT analysis. Through a semi-structured interview and a quantitative research technique that included a questionnaire, participants were invited to express their perspectives on the numerous factors that influence the effectiveness of logistics services supplied by logistics organizations in Nigeria. The participants in this study are GIG Logistics Company employees and customers who were chosen through a purposive sampling technique to guarantee that the study sample is representative of GIG Logistics Company personnel in Nigeria. It was critical that the questions posed were simple enough that individuals with only rudimentary academic skills could engage actively in the process. The questionnaire was simple to complete and understand, and the vast majority of participants completed it in less than ten

minutes. Because it was critical to safeguard the participants' confidentiality and anonymity, no identifying information was included in the questionnaire. Finally, the information acquired from the semi-structured interview and questionnaire was used to conduct a PESTLE and SWOT analysis to ascertain the external factors affecting the company's future ability to operate effectively.

The participants in this study are individuals who are knowledgeable in Nigerian logistics services, as evidenced by their years of experience working for GIG Logistics Corporation. Qualitative and quantitative research methods were used to elicit information on the factors that influence the development of logistics services in Nigerian businesses. Combining interviews with questionnaires is advantageous because it enables responses to be acquired in a fair and consistent manner, leaving no stone unturned. Kothari's is a restaurant (2014). As a result of this consideration, six (6) individuals were chosen for the semi-structured interview. The acquired data will be analyzed using both descriptive and inferential approaches. The objective of descriptive study is to define and deduce meanings from participants in the logistics management process, and these investigations make no attempt to affect the present status of individuals, locations, situations, or events (Cresswell, 2019).

### Research results and discussion

For the semi-structured interview conducted, a total of six (6) people was interviewed separately. Three (3) GIG Logistics Company employees and three (3) GIG Logistics Company clients responded to the survey questions. For the questionnaire, a total of 100 participants volunteered to be involved in the process. During the interview, open-ended questions were used to elicit demographic information from respondents, which was then classified into four categories depending on their gender, age, and level of education.

In this section, the respondents' demographic was analyzed using descriptive analysis. The profile analyzed includes gender, age, educational level years of experience.

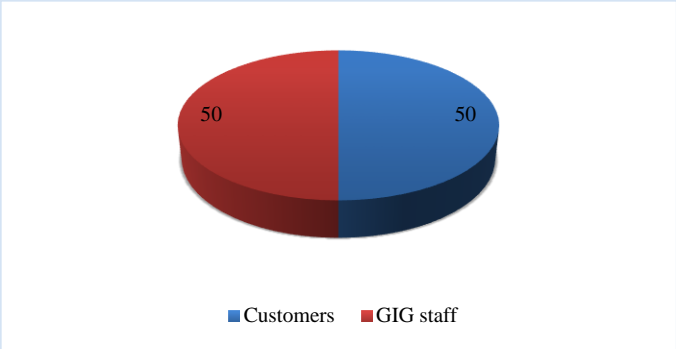


Fig. 1. Groups of participants for semi-structured interview  
Source: Author, 2022

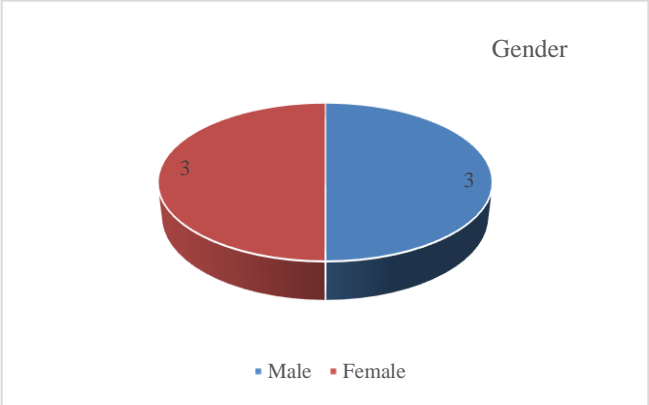
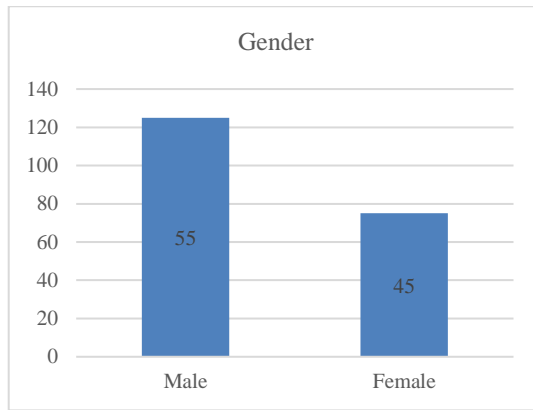


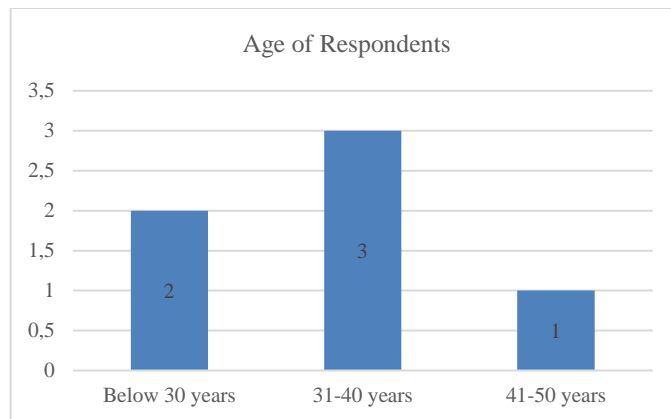
Fig. 2. Gender of participants for semi-structured interview  
Source: Author, 2022

Figure 11 above show the gender of respondents selected for the qualitative survey. 3 males and 3 females resulting to 50% each makes up the total number of respondents. Among the 3 male respondents, 2 are workers at the GIG Logistics company while the remaining one person is a customer to the company. On the other 2 of the females' respondents are customers to the company while the remaining one person is a female worker at the GIG Logistics company. This is an indication that both males and females are employees in GIG Logistics company. Also, there are both males and females patronizing the logistic services.



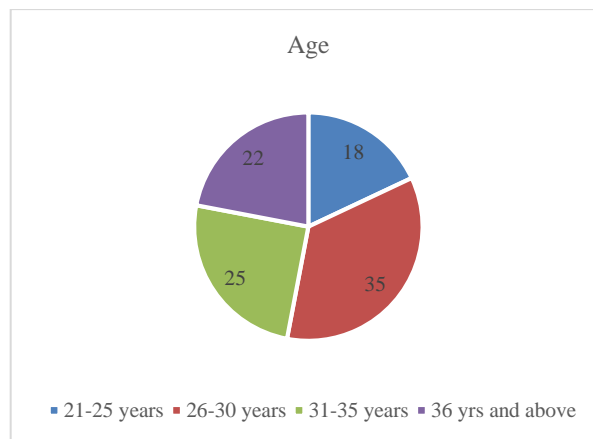
**Fig. 3.** Analysis of gender of respondents for quantitative survey  
Source: Author, 2022

It can also be seen from the chart above that 55 (55%) of the total respondents are male while 45 (45%) of the respondents are female. This is an indication that a greater percentage of the respondents are male. Hence, majority of the worker at the GIG Logistics are men.



**Fig. 4.** Age of participants for semi-structured interview  
Source: Author, 2022

Figure 14 shows the age of respondents that took part in the interview. Findings reveals that 2 participants were below the age 30 years resulting to 33.3% of the total respondents while 3 participants were between the age of 31-40 years resulting to 50%. The remaining 1 participant falls between the age of 41-50 years resulting to 16.7% of the total number of respondents. This implies that majority of the workforce and customers of GIG Logistics are between young adult to middle-age group.

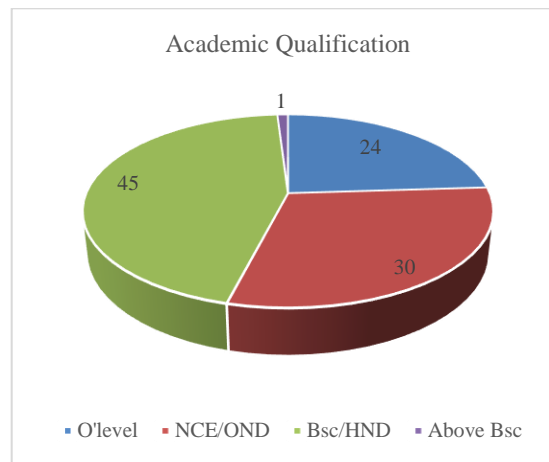


**Fig. 5.** Analysis of age of respondents quantitative survey  
Source: Author, 2022

Regarding the age of the respondents, the above result shows that 18 (18%) of the total respondents are within the age range of 21-25 years, 35 (35%) of the total respondents are within the age range of 26-30 years, 25 (25%) of the total respondents are within the age range of 31-35 years and the remaining 22 (22%) of the total respondents are within the

range of 36 years and above; this is an indication that majority of the staff of the company are within the age range of 26-30 years of age.

For the Academic qualification, Fig 6 below was used to represent the academic qualification of the participants selected for the semi-structured interview and the quantitative survey. The participants that falls under the customer category were not represented here as some of them were not comfortable discussing this. Also, the 3 participants for semi-structured interview also participate in the quantitative survey. To this effect, Fig. 6 below shows the analysis of respondents' highest academic qualification.



**Fig. 6.** Analysis of respondents highest academic or professional qualification  
Source: Author, 2022

Based on the academic or professional qualifications of the respondents; the chart above shows that 24 (24%) of the total respondents are O'level holders, 30 (30%) of the total respondents are NCE-OND holders, 45 (45%) of the total respondents are BSC/HND holders while the remaining 1 (1%) of the total respondents have academic qualification that is above BSC; this however shows that a greater percentage of the respondents possesses Bsc/HND as their highest academic qualification. Against this backdrop, GIG Logistics employs educated workers which enables them to communicate fluently with their customers unlike most of the local drivers who finds it difficult to communicate in English and thus could not communicate very well with customers.

**Analysis and research results on the challenges/factors affecting the quality of logistics services in GIG Logistics Company.** The goal of this section is to conduct a study of empirical data collected from research participants in order to ascertain the issues and causes affecting GIG Logistics' services. The findings are presented in tables and charts, organized into themes using the swot and pestle framework, presented in tables and figures that summarize participant responses, and investigated in greater depth utilizing the findings.

**Table 1.** Showing analytical framework of research result

| ANALYTICAL FRAMEWORK OF RESEARCH RESULT   |  |                      |                          |
|---|--|----------------------|--------------------------|
| THEMATIC APPROACH   | PESTLE ANALYSIS  | SWOT ANALYSIS        |                          |
| Themes  | Sub-themes   | Internal factors     | External Factors         |
| 1. Perception of logistic service<br>2. Factors affecting the logistic services in GIG Logistics company.<br>3. Improvement of GIG Logistic services. | 1. Political factors<br>2. Economic factors<br>3. Socio-cultural factors<br>4. Technological factors<br>5. Legal factors<br>6. Environmental factors | Strength<br>Weakness | Opportunities<br>Threats |

### Interview Result 1:

#### Theme 1: Perception of logistic service

The sole purpose of the GIG Logistics company is to maximize profit by offering acceptable and pleasant services to consumers. As such, it is critical to ensure that respondents understand what it takes to deliver a high-quality logistics service, as well as the critical nature of such services to the success of the business and customer delight. According to Gaudenzi et al. (2020), planning logistics activities or operations with an eye toward quality increases the effectiveness of the majority of logistics enterprises in delivering their services, promotes patronage, and so increases productivity. Gaudenzi et al. (2020) also stated that giving clients with additional benefits or services that they would not receive otherwise is a critical part of providing high-quality logistics services. It is reasonable to state that quality logistics services comprise an increase in the value of logistical services offered to users, which, in the majority of situations, offers users or customers with satisfactions that encourage them to continue patronizing the service (Gaudenzi et al., 2020).

As a result, participants were asked a series of questions centred on the notion of logistic service perception in order to ascertain the distinctive characteristics that set GIG Logistics apart from other logistics companies in Nigeria.

The questions were based on the concept of perception of logistic services. As a result of this question, it was determined why some of these customers have remained loyal to the company despite the implementation of new policies that increased the cost of services rendered, as well as why long-term employees prefer to work for the company despite the fact that there are numerous other logistics companies in the country.

**Table 2.** Showing results of research analysis 1

|                     |           |   |
|---------------------|-----------|---|
| Theme 1             |           | Perception of logistic service quality  |
| Sub-Theme           |           | Technological, socio-cultural, economic, environmental (factors)  |
| Interview question: |           | In your opinion, what differentiate GIG Logistics company from other Nigerian Logistics company?  |
| Participants        |           | Answers   |
| 1.                  | Employees | GIG offers services that some other companies do not offer, for instance, we have a refund policy that applies whenever a customer wants to stop his/ her good from been sent to the initial destination, though there are terms and condition; we also have the option of pay on arrival, here customers can send their goods without payment and the payment will be made when the receiver comes to get the goods. In addition to this, we are know for timely and safe delivery, we give you the exact date that your goods will be delivered and we don't disappoint. Also on our website, you can track the movement of your goods. All these and many other features are not available in other companies. |
| 2.                  | Customers | GIG is known for delivering a safe and fast, services. They are also have highly efficient transportation facilities, the company is known to run a transport business which greatly complements its logistics operations.  |

### Interviews Result 2:

#### *Theme 2: Factors affecting the logistic services in GIG Logistics Company.*

**Table 3.** Showing results of research analysis 2

|                     |           |  |
|---------------------|-----------|--|
| Theme 1             |           | Factors affecting logistic services in GIG Logistics company.  |
| Sub-Theme           |           | Political, Economic, Socio-cultural, Technological, Legal, and Environmental (factors)   |
| Interview question: |           | In your opinion, what are some of the factors affecting the services of GIG Logistics company?   |
| Participants        |           | Answers  |
| 1.                  | Employees | Respondents were able to points out that apart from the increase in the tax levied against logistics company, the economic situation of the country has caused a hike in the price of certain commodities like fuel, vehicle parts, and so on...all these have caused an increase in the price of the services which did not go well with some of the customers. Also, the poor nature Nigerian roads and insecurities on high way is affecting the time in delivery of goods as it is no longer safe for drivers to drive at night amidst the fear of been kidnapped or ambushed by high-way robbers. Hence, the company makes use of the air mostly for domestic services. |
| 2.                  | Customers | Some of the customers reaffirm the hike in the price of the services as a problem facing the company because they notice there has been a decline in patronage as a result of this. Also, there has been a slight delay in the delivery of goods which was not the case before now.  |

### Interviews Result 3:

#### *Theme 3: Improvement of GIG Logistic services.*

The services of GIG Logistics are being evaluated, and recommendations regarding how the company's services should be enhanced are being made as a result of this study. When it comes to regulating the quality of logistics services provided, logistic firms must ensure that they apply effective logistics operations planning and continuous measurement in order to consistently control the quality of logistics services provided (Chapman et al., 2013). As a result, it became critical to develop an organization-wide theme centered on the enhancement of logistical services. Customers and employees of GIG Logistics are being surveyed to determine the most effective strategy for improving the company's current services, which will be used to inform the study.

**Table 4.** Showing results of research analysis 3

|                     |           |   |
|---------------------|-----------|---|
| Theme 1             |           | Improvement of Logistics services in GIG Logistics company  |
| Sub-Theme           |           | Political, Economic, Socio-cultural, Technological, and Environmental (factors)   |
| Interview question: |           | What are the possible ways to improve the services of GIG Logistics company?  |
| Participants        |           | Answers   |
| 1.                  | Employees | Suggestions such as the Association of Logistics companies in Nigeria, meeting with the government on how to review the new tax policy will help in the reduction of price of the company's services. Also, there are alternative routes that are faster and will consume less resources, thus, the companies can hire the services of security personnel as escort to drivers while driving through these paths to enhance timely delivery.  |
| 2.                  | Customers | Customers suggest that the price of the services should be reduced; also, there is a need to work on the customer service helpline to ensure that there always available. Also, some of the customers complain about lack of personnel, they want the company to hire more competent staff to the ones they already have. One of the customers complained of a theft in her one of her visits to the company. This is due to unavailability of enough parking space. Therefore, she suggests an expansion of the parking space and the provision of security to secure customers properties whenever they are at the company to transact. |

### Interview Result 1:

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of the majority of logistics enterprises in delivering their services, promotes patronage, and so increases productivity. Gaudenzi et al. (2020) also stated that giving clients with additional benefits or services that they would not receive otherwise is a critical part of providing high-quality logistics services. It is reasonable to state that quality logistics services comprise an increase in the value of logistical services offered to users, which, in the majority of situations, offers users or customers with satisfactions that encourage them to continue patronizing the service (Gaudenzi et al., 2004).

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| Themes                                  |   | Sub-themes      |                        | Internal factors     | External Factors         |
| 1.                                      | Perception of logistic service                                    | 1.              | Political factors      | Strength<br>Weakness | Opportunities<br>Threats |
| 2.                                      | Factors affecting the logistic services in GIG Logistics company. | 2.              | Economic factors       |                      |                          |
|   |   | 3.              | Socio-cultural factors |                      |                          |
| 3.                                      | Improvement of GIG Logistic services.                             | 4.              | Technological factors  |                      |                          |
|   |   | 5.              | Legal factors          |                      |                          |
|   |   | 6.              | Environmental factors  |                      |                          |

As a result, participants were asked a series of questions centered on the notion of logistic service perception in order to ascertain the distinctive characteristics that set GIG Logistics apart from other logistics companies in Nigeria. The questions were based on the concept of perception of logistic services. As a result of this question, it was determined why some of these customers have remained loyal to the company despite the implementation of new policies that increased the cost of services rendered, as well as why long-term employees prefer to work for the company despite the fact that there are numerous other logistics companies in the country.

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| 2.                  | Customers | GIG is known for delivering a safe and fast, services. They are also have highly efficient transportation facilities, the company is known to run a transport business which greatly complements its logistics operations.  |

**Table 7.** Factors affecting logistic services in GIG Logistics Company

|                     |           |  |
|---------------------|-----------|--|
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### **Possibilities for the improving of quality of logistics services in GIG Logistics Company**

Based on the research analysis and results the study the following possible solutions for improving the quality of logistics services in GIG Logistics Company are proposed:

**Table 9.** Suggested solutions for improving the quality of logistics services GIG Logistics Company

|   |
|---|
| <b>Improvement in Customer services helpline</b>                      |
| <b>Regular maintenance of equipment and transportation facilities</b> |
| <b>The use of innovative technologies</b>                             |

**Improvement in Customer services helpline.** Customers of logistics services are the intended recipients of the services and so have a crucial role in defining the overall quality of the services. Based on experiences with several respondents, the qualitative survey findings indicate that the customer support help line should be open at all times. As a

**The use of innovative technologies.** Numerous novel solutions have been developed to streamline logistics activities and ensure the delivery of high-quality logistics services as a result of technology's rapid evolution. These technologies have the potential to significantly boost logistic companies' competitiveness in their respective industries. Nguyen (2021) believes it is vital to build a centralized electronic information technology exchange system between the government and businesses, as well as between corporate companies. Additionally, this article discusses how, following computerized verification, the bureaucracy associated with customs clearing processes and procedures for import and export papers should be handled. According to the World Economic Forum, nations must expand their investments in information technology research and application, as well as in training skilled information technology experts and in creating favorable conditions for the operation of logistics service firms.

After all was said and done, the study's analysis of several aspects affecting the delivery of high-quality logistics services at GIG Logistics Company was a success. The analysis's findings were presented in the form of tables and charts to supplement GIG Logistic's PESTLE and SWOT analyses, which took a theme approach. The research findings were discussed, and several options for improving the quality of logistic services at GIG Logistic were proposed in order to increase the organization's overall efficiency.

## Conclusions

1. The study was able to examine the GIG Logistics services towards achieving an improvement capable of bringing growth to the company. Through the analysis done, the first and second objectives of the study which is to reveal the importance and problems of logistics services in Nigeria as well as to theoretically examine the possibilities for the improvement of logistics services in Nigeria were achieved through the review of relevant literature that are well placed in the introductory part of the study. Similarly the third and fourth objectives which is to investigate and propound possible solutions for the improvement of logistics services in GIG Logistics company was achieved using semi-structured interview as well as a PESTLE and SWOT analysis which served as the basis for the analysis of the data gathered through the semi-structured interview.

2. According to empirical research findings, there are some issues affecting the quality of GIG Logistics' logistics services; however, this makes sense given that they are the ultimate consumers of the logistics services provided. Several of these challenges/factors include the high cost of logistics services; some potential solutions include increasing value-added services, offering continuous employee training, and lowering the cost of logistic services. The highlighted barriers/factors impeding the delivery of high-quality logistic services may vary according to the location of distinct logistic enterprises in Nigeria. Additionally, because this study enrolled a small number of individuals, the findings cannot be generalized to a larger group of people. It was not entirely objective in their responses to sensitive company information inquiries based on company standards and rules that were posed to employees during the data collection process.

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